

# Audit Report



**DISTRIBUTION STATEMENT A**  
Approved for Public Release  
Distribution Unlimited

19990907 153

## ACQUISITION OF THE ADVANCED AMPHIBIOUS ASSAULT VEHICLE

Report Number 99-054

December 15, 1998

Office of the Inspector General  
Department of Defense

DTIC QUALITY INSPECTED 4

AOI 99-12- 2212

## INTERNET DOCUMENT INFORMATION FORM

**A . Report Title:**     **Acquisition of the Advanced Amphibious Assault Vehicle**

**B. DATE Report Downloaded From the Internet:**   **09/07/99**

**C. Report's Point of Contact: (Name, Organization, Address, Office Symbol, & Ph #):**     **OAIG-AUD (ATTN: AFTS Audit Suggestions)  
Inspector General, Department of Defense  
400 Army Navy Drive (Room 801)  
Arlington, VA 22202-2884**

**D. Currently Applicable Classification Level:**   **Unclassified**

**E. Distribution Statement A:**   **Approved for Public Release**

**F. The foregoing information was compiled and provided by:**  
**DTIC-OCA, Initials: \_\_VM\_\_ Preparation Date 09/07/99**

The foregoing information should exactly correspond to the Title, Report Number, and the Date on the accompanying report document. If there are mismatches, or other questions, contact the above OCA Representative for resolution.

### **Additional Copies**

To obtain additional copies of this audit report, contact the Secondary Reports Distribution Unit of the Analysis, Planning, and Technical Support Directorate at (703) 604-8937 (DSN 664-8937) or FAX (703) 604-8932 or visit the Inspector General, DoD, home page at: [WWW.DODIG.OSD.MIL](http://WWW.DODIG.OSD.MIL).

### **Suggestions for Future Audits**

To suggest ideas for or to request future audits, contact the Planning and Coordination Branch of the Analysis, Planning, and Technical Support Directorate at (703) 604-8908 (DSN 664-8908) or FAX (703) 604-8932. Ideas and requests can also be mailed to:

OAIG-AUD (ATTN: APTS Audit Suggestions)  
Inspector General, Department of Defense  
400 Army Navy Drive (Room 801)  
Arlington, Virginia 22202-2884

### **Defense Hotline**

To report fraud, waste, or abuse, contact the Defense Hotline by calling (800) 424-9098; by sending an electronic message to [Hotline@DODIG.OSD.MIL](mailto:Hotline@DODIG.OSD.MIL); or by writing to the Defense Hotline, The Pentagon, Washington, D.C. 20301-1900. The identity of each writer and caller is fully protected.

### **Acronyms**

AAAV  
C<sup>4</sup>I

Advanced Amphibious Assault Vehicle  
Command, Control, Communication, Computers, and  
Intelligence



INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
400 ARMY NAVY DRIVE  
ARLINGTON, VIRGINIA 22202

December 15, 1998

MEMORANDUM FOR ASSISTANT SECRETARY OF THE NAVY (FINANCIAL  
MANAGEMENT AND COMPTROLLER)

SUBJECT: Audit Report on Acquisition of the Advanced Amphibious Assault Vehicle  
(Report No. 99-054)

We are providing this report for information and use. We provided you with a draft of this report on November 6, 1998. Because the report contained no recommendations, written comments were not required and none were received.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. Charles M. Santoni at (703) 604-9051 (DSN 664-9051), email (csantoni@dodig.osd.mil) or Mr. Robert L. Shaffer at (703) 604-9043 (DSN 664-9043), email (rshaffer@dodig.osd.mil). See Appendix C for the report distribution. The audit team members are listed inside the back cover.

A handwritten signature in black ink, reading "David K. Steensma", is positioned above the typed name.

David K. Steensma  
Deputy Assistant Inspector General  
for Auditing

## **Office of the Inspector General, DoD**

**Report No. 99-054**  
(Project No. 8AL-0029)

**December 15, 1998**

### **Acquisition of the Advanced Amphibious Assault Vehicle**

#### **Executive Summary**

**Introduction.** The mission of the Marine Corps is to provide an amphibious and land operations capability to seize advanced naval bases and to conduct naval land campaigns. To fulfill its mission, the Marine Corps established the Advanced Amphibious Assault Vehicle Program to produce 1,013 Advanced Amphibious Assault Vehicles by the year 2012, at a total life-cycle cost of \$8.8 billion (1993 base-year dollars).

**Audit Objectives.** The audit objective was to evaluate the overall management of the Advanced Amphibious Assault Vehicle (AAAV) Program. We also evaluated the adequacy of management controls related to the audit objectives.

**Audit Results.** The AAAV Program Management Office was effectively managing the development of the AAAV. The AAAV Program Management Office had aggressively implemented acquisition reform initiatives and taken positive actions on issues raised during this audit and previous Inspector General, DoD, audits. The AAAV Program Management Office reduced the risk in the development program; addressed command, control, communications, computers, and intelligence support requirements; and ensured that the year-2000 problem was appropriately addressed in the AAAV development contract. The management controls were effective in that we identified no material management control weaknesses. See Appendix A for details on the management control program.

**Management Comments.** We provided a draft of this report on November 6, 1998. Because this report contained no recommendations, written comments were not required, and none were received. Therefore, we are publishing this report in final form.

# Table of Contents

---

<b>Executive Summary</b>	i
<b>Part I - Audit Results</b>	
Audit Background	2
Audit Objectives	2
Management of the Advanced Amphibious Assault Vehicle Program	4
<b>Part II - Additional Information</b>	
Appendix A. Audit Process	
Scope	10
Methodology	11
Management Control Program Review	11
Summary of Prior Coverage	12
Appendix B. Radio Frequency Weapons Threat and Prototype Vehicles	13
Appendix C. Report Distribution	15

## **Part I - Audit Results**

---

## Audit Background

**Historical Background.** The Marine Corps pioneered the use of armored, tracked, amphibious fighting vehicles in World War II. Since that time, the Marine Corps has continuously maintained this operational capability as the backbone for amphibious assaults. U.S. Code, Title 10, Section 5063, "United States Marine Corps: composition; functions," October 1, 1986, states that the Marine Corps will be organized, trained, and equipped to provide an amphibious and land operations capability to seize advanced naval bases and to conduct naval land campaigns. The Marine Corps has used the Amphibious Assault Vehicle since 1971 and must continue to use it until a replacement vehicle is operational. However, the Amphibious Assault Vehicle has become increasingly difficult to maintain and operate and has significant operational deficiencies in mobility, firepower, and survivability.

**Advanced Amphibious Assault Vehicle (AAAV) Program.** The Marine Corps established the AAAV Program to fulfill the amphibious and land operations capability from FY 2006 to FY 2030. On March 17, 1995, the Defense Acquisition Executive approved the Milestone I decision for the AAAV Program to enter the demonstration and validation phase (now the program definition and risk-reduction phase) of the acquisition cycle. The Marine Corps awarded a development contract, M67854-96-C-0038, valued at \$217 million, to General Dynamics Land Systems Division (the Contractor) on June 13, 1996. The Milestone II decision for engineering and manufacturing development is scheduled for January 2001. The Office of the Direct Reporting Program Manager (the Program Manager) manages the program and reports directly to the Assistant Secretary of the Navy (Research, Development, and Acquisition).

**AAAV Capabilities.** Under the Navy and Marine Corps concept of "Operational Maneuver from the Sea," the AAAV will transport Marine Corps infantry from beyond the horizon, 25 miles offshore, to the shore, while traveling at speeds of 20 to 25 knots in wave heights of 3 feet. Once ashore, the AAAV will transport the Marine Corps infantry inland, maintaining speed with the main battle tank. The AAAV will provide the Marine Corps infantry with armor protection and direct fire support during combat operations.

**AAAV Acquisition.** The Marine Corps plans to buy 1,013 AAAVs by the year 2012, with a total life-cycle cost of \$8.8 billion (1993 base-year dollars). The Marine Corps plans to buy two versions of the AAAV: 935 personnel versions and 78 command and control versions. The personnel version will be an armored, tracked, amphibious combat vehicle that carries 17 or 18 combat-equipped troops and 3 crew members. The command and control version will be interoperable with the communication systems available in FY 2006.



---

## **Audit Objectives**

The audit objective was to evaluate the overall management of the AAAV Program. We also reviewed the corrective actions that the AAAV Program Management Office implemented in its contracting processes to prevent the reoccurrence of problems noted in Inspector General, DoD, Report No. 94-110, "Hotline Allegations Concerning Production Contracts for Amphibious Assault Vehicles," May 20, 1994. In addition, we evaluated the adequacy of management controls related to the audit objectives. See Appendix A for a discussion of the scope and methodology, the management control program, and the prior audit coverage. See Appendix B for a discussion concerning the threat from radio frequency weapons and the quantitative requirements for prototype vehicles.

---

## **Management of the Advanced Amphibious Assault Vehicle Program**

The AAV Program Management Office was effectively managing the development of the AAV. The AAV Program Management Office had aggressively implemented acquisition reform initiatives and taken positive actions on issues raised during this and previous Inspector General, DoD, audits. The AAV Program Management Office reduced the risk in the development program, addressed command, control, communications, computers, and intelligence support requirements, and ensured that the year-2000 problem was appropriately addressed in the AAV development contract.

### **Overall Management of the AAV Program**

The Program Management Office was effectively managing the AAV development. Our review of the areas outlined in the scope section of Appendix A showed that the Marine Corps was responsive to issues raised during this audit and took corrective actions. Therefore, recommendations were not necessary. We attributed the effective management of the AAV Program, in part, to the willingness of the AAV Program Management Office to aggressively implement acquisition reform initiatives and to immediately respond to issues raised during the audit.

### **Acquisition Reform Initiatives Implemented**

The AAV Program Management Office made a strong commitment to implement a wide variety of acquisition reform initiatives in managing the vehicle development. This commitment earned the AAV Program Management Office two awards for the superior management of a DoD acquisition program. On May 4, 1998, the Under Secretary of Defense (Acquisition and Technology) awarded the "David Packard Excellence in Acquisition Award" to the AAV Program Management Office for a superbly managed program that totally embraced the ideas of acquisition reform and industry best practices. On May 29, 1998, the Deputy Secretary of Defense awarded the "1998 Defense Superior Management Award" to the AAV Program Management Office for its implementation of advanced management practices, industry teaming concepts, and use of state-of-the-art tools. Among other acquisition reform initiatives that the AAV Program Management Office implemented were colocation of personnel and facilities, use of integrated product teams, use of metrics, minimal use of military standards and specifications, and use of modeling and simulation.

## **Management of the Advanced Amphibious Assault Vehicle Program**

---

**Colocation.** One of the most innovative initiatives that the AAVV Program Manager implemented was to colocate the AAVV Program Management Office, the contracting officer, the Contractor, major subcontractors, and personnel of the Defense Contract Management Command in the same facility in Woodbridge, Virginia. In addition, the facility is located only 15 minutes from the Quantico Marine Corps Base so that Marine Corps operators can easily participate in design decisions. This initiative has reduced the time to resolve design decisions from the norm of 1 to 3 months to a matter of days, and has enhanced the understanding of the AAVV Program Management Office and the contractors.

**Integrated Product Teams.** The AAVV Program operated under the Integrated Product and Process Development concept with 28 integrated product teams developing the system. Staff from the Contractor, the Marine Corps, the Navy, and the Office of the Secretary of Defense participated on the integrated product teams and were involved in all facets of the development process. Each team member had access to the "Virtual Design Database," an on-line, real time, paperless communication system that is used to file program documentation and the Contractor's cost performance data. The integrated product teams conducted trade studies to review and evaluate various design alternatives for key performance requirements, which estimate a potential production cost avoidance of more than \$150 million. Trade studies to determine the impact on operation and support costs for each of the design alternatives estimate an additional cost avoidance of more than \$235 million.

**Use of Metrics.** To measure the management effectiveness of the Program, the AAVV Program Management Office established several metrics emphasizing the cost and schedule to develop the system and the vehicle weight. The AAVV Program Management Office gathers monthly data on the metrics and uses them to measure progress and identify problems.

**Military Standards and Military Specifications.** Working with industry, the AAVV Program Management Office wrote the system specification as a performance specification. By doing so, it was able to reduce the number of Military Standards and Military Specifications in the performance specification and the statement of work for the development contract to just seven from the hundreds that were required for the Amphibious Assault Vehicle.

**Modeling and Simulation.** Through extensive use of virtual prototyping, the AAVV Program Management Office was able to quickly and efficiently communicate design changes and their impact in almost real time. Because integrated product team members had open access to the virtual prototype and virtual design database, they could make quicker decisions.

## **Management Actions Taken During this Audit**

The AAV Program Management Office immediately took positive actions on the issues raised during the audit, which were the lack of a support plan for command, control, communications, computers, and intelligence (C<sup>4</sup>I); and the exclusion of year-2000 compliance language from the development contract.

**Planning for C<sup>4</sup>I Requirements.** The AAV Program Management Office had not developed a C<sup>4</sup>I support plan as required by DoD Regulation 5000.2-R, "Mandatory Procedures for Major Acquisition Programs (MDAPS) and Major Automated Information System (MAIS) Acquisition Programs," March 23, 1998. As a result of our inquiries, the AAV Program Management Office immediately took action to draft a C<sup>4</sup>I support plan that generally met the requirements of DoD Regulation 5000.2-R.

In preparing the draft C<sup>4</sup>I support plan, the AAV Program Management Office followed the guidance in the Acquisition Deskbook, which states that the C<sup>4</sup>I support plan should identify the C<sup>4</sup>I support requirements, identify shortfalls in meeting those requirements, and propose solutions and costs to the shortfalls and their costs for the life of the system.

The Acquisition Deskbook also states that the trend in modern warfare is toward the increased use of smart weapons and the integration of command, control, computers, and communications systems with intelligence, surveillance, and reconnaissance systems for maximum combat effectiveness. Planning for a new weapon system should include analyses of the C<sup>4</sup>I infrastructure and intelligence data required to employ the new system. The results of the analyses should support the weapon system acquisition and incorporate the C<sup>4</sup>I requirements early into its design. The C<sup>4</sup>I support plan should be used to identify, plan, and manage issues related to the C<sup>4</sup>I requirements over the entire life of the system.

**Implementing Year-2000 Compliance Language.** The AAV development contract did not include year-2000 compliance language. The year-2000 problem is the potential failure of the system because it is unable to process or perform date-related functions before, on, or after the turn of the next century. Before the audit, officials from the AAV Program Management Office conducted discussions with the Contractor on the year-2000 implications for the program. Without a year-2000 requirement in the development contract, the AAV Program Management Office had no assurance that the weapon system would be year-2000 compliant. However, after our inquiries on year-2000 compliance, the AAV Program Management Office drafted year-2000 compliance language for the system specification. On September 2, 1998, the AAV Program Management Office issued modification No. P00043 to the development contract to incorporate the following year-2000 compliance language into the system specification.

## **Management of the Advanced Amphibious Assault Vehicle Program**

---

The AAAV shall be able to accurately process date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations to the extent that other information technology, used in combination with the information technology being incorporated, properly exchanges date/time data with it.

### **Management Actions Taken on Previous Audit Reports**

In addition to taking corrective actions on issues raised during this audit, the Marine Corps has responded positively to issues and recommendations in previous Inspector General, DoD, audit reports.

**Inspector General, DoD, Report No. 94-110.** The AAAV Program Management Office implemented policies and procedures to correct two conditions reported in Inspector General, DoD, Report No. 94-110, "Hotline Allegations Concerning Production Contracts for Amphibious Assault Vehicles," May 20, 1994. The report identified problems with tracking contract deliverables and accounting for special tooling on the 1982 production contracts for Amphibious Assault Vehicles. The AAAV Program Management Office used monthly status reports to track the contract deliverables on the development contract for the AAAV. We could not make a complete comparison to the 1982 production contracts for the Amphibious Assault Vehicle because the AAAV development contract required limited deliverables. However, based on our review of the monthly status reports for the development contract, the AAAV Program Management Office was adequately tracking the contract deliverables.

The AAAV Program Management Office had also taken action to improve its processes for accounting for special tooling. In August 1997, the AAAV Program Management Office implemented in-house policies and procedures to account for Government-furnished property, which includes special tooling. In addition, the Defense Contract Management Command reviewed and approved the policies and procedures that the Contractor was using to account for Government-furnished property on the contract. Although the development contract did not have any special tooling at the time of the audit, the AAAV Program Management Office had adequate policies and procedures to account for any special tooling in the future.

**Inspector General, DoD, Report No. 93-116.** The AAAV Program Management Office and the Marine Corps concurred with all 18 recommendations made in Inspector General, DoD, Report No. 93-116, "Acquisition of the Advanced Amphibious Assault Vehicles," June 18, 1993. The recommendations covered such areas as operational requirements, human factors, testing, and contracting. An example of the recommendations that the AAAV Program Management Office implemented involved the requirement for an environmental control system. The report recommended that the Marine

## **Management of the Advanced Amphibious Assault Vehicle Program**

Corps include a requirement that the AAV have an environmental control system that would provide adequate cooling to ensure troop mission effectiveness in desert terrain and tropical climates and nuclear, biological, and chemical protection. The AAV Program Management Office included this requirement in the AAV system specification.

## **Benefits to the AAV Program**

The actions of the AAV Program Management Office concerning the acquisition reform initiatives, the C<sup>4</sup>I support plan, and the year-2000 contract language have resulted in several benefits for the AAV development and acquisition. As of December 31, 1997, the AAV Program was 10 to 12 months ahead of the approved acquisition program baseline, the program cost estimates were reasonable, the acquisition reform initiatives reduced the risk in the AAV Program, the C<sup>4</sup>I support plan ensured adequate consideration to the C<sup>4</sup>I requirements early in the AAV development and acquisition, and the addition of the year-2000 requirement to the system specification assured that the AAV Program will not incur costs attributable to the year-2000 problem.

## **Conclusion**

We commend the officials from the AAV Program Management Office on their implementation of the acquisition reform initiatives, and for taking prompt action during the audit to prepare a C<sup>4</sup>I support plan and to include a year-2000 requirement in the AAV system specification. Because management took corrective actions, the report makes no recommendations.

## **Part II - Additional Information**

---

## Appendix A. Audit Process

### Scope

This report addresses the AAAV acquisition program. We reviewed records dated from June 1993 through October 1998. We evaluated the acquisition strategy, qualitative and quantitative requirements, software management, analyses of alternatives, budget and cost estimates, contracting actions and administration, testing, hazardous materials, and logistics planning. We concentrated on events that are critical to a major acquisition program in the program definition and risk reduction phase of the acquisition cycle. We also evaluated the adequacy of management controls related to our audit objectives.

**DoD-Wide Corporate-Level Government Performance and Results Act Goals.** In response to the Government Performance and Results Act, the Department of Defense has established 6 DoD-wide corporate level performance objectives and 14 goals for meeting these objectives. This report pertains to achievement of the following objective and goal:

- **Objective:** Prepare now for an uncertain future.
- **Goal:** Pursue a focused modernization effort that maintains U.S. qualitative superiority in key warfighting capabilities (DoD-3).

**DoD Functional Area Reform Goals.** Most major functional areas have also established performance improvement reform objectives and goals. This report pertains to achievement of the following functional area objectives and goals:

#### Acquisition Functional Area.

- **Objective:** Deliver great service.
- **Goal:** Deliver new major defense systems to the users in 25 percent less time (ACQ-1.1)
- **Objective:** Internal reinvention.
- **Goal:** Minimize cost growth in major defense acquisition programs to no greater than 1 percent annually (ACQ-3.4).



**General Accounting Office High-Risk Area.** The General Accounting Office has identified several high-risk areas in DoD. This report provides coverage of the Defense Contract Management and Defense Weapon System Acquisition high-risk areas.

## Methodology

**Audit Type, Dates, and Standards.** We performed this program audit from April through September 1998, in accordance with auditing standards issued by the Comptroller General of the United States, as implemented by the Inspector General, DoD. We did not use computer-processed data or statistical sampling procedures. Accordingly, we included tests of management controls as deemed necessary.

**Use of Technical Assistance.** A software engineer and two operations research analysts from the Analysis, Planning, and Technical Support Directorate, Office of the Inspector General, DoD, assisted us in our review of the AAAP. The software engineer assisted in analyzing and evaluating the software management and technical documentation for the AAAP. The operations research analysts assisted in reviewing the analyses of alternatives that the Marine Corps performed for the AAAP.

**Contacts During the Audit.** We visited or contacted individuals and organizations within DoD and the Contractor for the AAAP. Further details are available upon request.

## Management Control Program Review

DoD Directive 5010.38, "Management Control (MC) Program," August 26, 1996, requires DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

**Scope of Review of Management Control Program.** In accordance with DoD Regulation 5000.1, "Defense Acquisition," March 15, 1996, and DoD Regulation 5000.2-R, "Mandatory Procedures for Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) Acquisition Programs," March 15, 1996, acquisition managers are to use

## **Appendix A. Audit Process**

---

program cost, schedule, and performance parameters as control objectives to implement the requirements of DoD Directive 5010.38. Accordingly, we limited our review of management controls directly to acquisition management.

In evaluating the management control process, we reviewed the vulnerability assessments of the AAAV Program Management Office to determine the level of risk that the officials assigned to their functional responsibilities. We also reviewed the FY 1997 Management Control Certification Statement to determine whether the AAAV Program Management Office reported any material management control weaknesses related to the AAAV acquisition management.

**Adequacy of Management Controls.** Management controls were adequate in that we did not identify any systemic management control weaknesses applicable to our audit objectives.

### **Summary of Prior Coverage**

During the last 5 years, two audit reports involved the Marine Corps amphibious assault vehicles.

Office of the Inspector General, DoD, Report No. 94-110, "Hotline Allegations Concerning Production Contracts for Amphibious Assault Vehicles," May 20, 1994.

Office of the Inspector General, DoD, Report No. 93-116, "Acquisition of Advanced Amphibious Assault Vehicles," June 18, 1993.

---

## **Appendix B. Radio Frequency Weapons Threat and Prototype Vehicles**

### **Radio Frequency Weapons**

The Marine Corps identified radio frequency weapons as a potential threat to the AAHV. The AAHV Program Management Office required the Contractor to comply with Military Standard 461, "Requirements for the Control of Electromagnetic Interference Emissions and Susceptibility," January 11, 1993, to address the potential threat. We did not evaluate the radio frequency weapons threat that the Marine Corps identified for the AAHV. The General Accounting Office was reviewing the threat of potential adversaries using electronic warfare devices on the United States military and commercial electronic systems and networks. Specifically, the General Accounting Office was reviewing the efforts of the DoD and the Services to gauge the dangers associated with radio frequency weapons, such as jammers and other electronic warfare devices, and determining the steps that DoD was taking to minimize the threat. If the General Accounting Office determines that the threat from the radio frequency weapons is greater than the identified threat for the AAHV, the AAHV Program Management Office may have to provide additional protection for the AAHV from that increased threat.

### **AAHV Prototypes**

The AAHV Program Management Office plans to build 14 AAHV prototypes. The Contractor is building three prototypes under the development contract for delivery commencing in January 2000, and the AAHV Program Management Office plans to use them for Developmental Testing I. The primary purpose of Developmental Testing I will be to reduce program risk by identifying technical deficiencies of AAHV components and subsystems. The Contractor will build the remaining 11 AAHV prototypes during the engineering and manufacturing phase, with delivery in FY 2003. The 11 engineering and manufacturing versions of the AAHV prototypes are required for Developmental Testing II, which will focus on reliability, availability, maintainability, and deployability testing; certifying the AAHV for operational testing and safety certification; and determining supportability, training, and manpower requirements. In addition, the AAHV Program Management Office will use the 11 AAHV prototypes to conduct operational testing and live-fire testing.

## **Appendix B. Radio Frequency Weapons Threat and Prototype Vehicles**

Because the draft Test and Evaluation Plan did not address using the first three AAHV prototypes for Developmental Testing II, operational testing, or live-fire testing, we questioned the AAHV Program Management Office about its plans for them. The Assistant Program Manager for the personnel version of the AAHV informed us that the AAHV Program Management Office is reviewing how to use the first 3 AAHV prototypes once the 11 engineering and manufacturing versions of the AAHV prototypes are delivered. The AAHV Program Management Office is considering two options. One option is to have the Contractor refurbish the 3 prototypes to match the configuration of the 11 prototypes built, which would allow the AAHV Program Management Office to use the 3 vehicles to supplement the AAHVs needed for Developmental Testing II and operational testing. The second option would involve cannibalizing the 3 vehicles and using the components to reduce the production cost of the 11 prototypes. The Assistant Program Manager for the personnel version of the AAHV emphasized that it was too early in the development of the AAHV to decide on a course of action, which will depend on the cost and the similarities between the prototype configurations.

---

## **Appendix C. Report Distribution**

### **Office of the Secretary of Defense**

Under Secretary of Defense for Acquisition and Technology  
  Director, Strategic and Tactical Systems  
  Director, Defense Logistics Studies Information Exchange  
Under Secretary of Defense (Comptroller)  
  Deputy Chief Financial Officer  
  Deputy Comptroller (Program/Budget)  
Assistant Secretary of Defense (Command, Control, Communications, and Intelligence)  
  Deputy Assistant Secretary of Defense (Command, Control, Communications, and  
    Intelligence and Surveillance, Reconnaissance, and Space Systems)  
  Deputy, Chief Information Officer and Deputy Assistant Secretary of Defense  
    (Chief Information Officer Policy and Implementation)  
  Principal Deputy - Y2K  
Assistant Secretary of Defense (Public Affairs)

### **Department of the Army**

Chief Information Officer, Army  
Inspector General, Department of the Army  
Auditor General, Department of the Army

### **Department of the Navy**

Assistant Secretary of the Navy (Financial Management and Comptroller)  
Assistant Secretary of the Navy (Research, Development, and Acquisition)  
  Direct Reporting Program Manager, Advanced Amphibious Assault  
    Vehicle Program  
Chief Information Officer, Navy  
Inspector General, Department of the Navy  
Auditor General, Department of the Navy  
Superintendent, Naval Postgraduate School

### **Department of the Air Force**

Assistant Secretary of the Air Force (Financial Management and Comptroller)  
Chief Information Officer, Air Force  
Inspector General, Department of the Air Force  
Auditor General, Department of the Air Force

## **Appendix C. Report Distribution**

---

### **Marine Corps**

Commandant of the Marine Corps  
Commanding General, Marine Corps Systems Command  
Commanding General, Marine Corps Combat Development Command  
Inspector General of the Marine Corps

### **Other Defense Agencies**

Director, Defense Contract Audit Agency  
Director, Defense Information System Agency  
Inspector General, Defense Information Systems Agency  
United Kingdom Liaison, Defense Information Systems Agency  
Director, Defense Logistics Agency  
Commander, Defense Contract Management Command  
Director, National Security Agency  
Inspector General, National Security Agency  
Inspector General, Defense Intelligence Agency  
Defense System Management College

### **Non-Defense Federal Organizations**

Chief Information Officer, General Services Administration  
Office of Management and Budget  
U.S. General Accounting Office  
National Security and International Affairs Division, Technical Information Center  
Director, Defense Information and Financial Management Systems, Accounting and Information Management Division

### **Chairman and Ranking Minority Member of each of the Following Congressional Committees and Subcommittees:**

Senate Committee on Appropriations  
Senate Subcommittee on Defense, Committee on Appropriations  
Senate Committee on Armed Services  
Senate Committee on Governmental Affairs  
Senate Special Committee on the Year 2000 Technology Problem  
House Committee on Appropriations  
House Subcommittee on National Security, Committee on Appropriations  
House Committee on Government Reform and Oversight  
House Subcommittee on Government Management Information and Technology, Committee on Government Reform and Oversight  
House Subcommittee on National Security, International Affairs and Criminal Justice, Committee on Government Reform and Oversight  
House Committee on National Security

## **Audit Team Members**

This report was prepared by the Acquisition Management Directorate, Office of the Inspector General for Auditing, DoD.

Thomas F. Gimble  
Charles M. Santoni  
Robert L. Shaffer  
Michael T. Hill  
Rhonda L. Ragsdale  
Kathryn C. Franks  
Gladys A. Edlin  
Nina Athy  
Dan B. Convis  
Carolyn Gernand  
Dharam V. Jain